

MEMORANDUM

November 29, 2004

TO: THE LOS ANGELES COUNTY CLAIMS BOARD

FROM: MATT SAUNDERS
Nishimura and Saunders

ROGER H. GRANBO
Principal Deputy County Counsel
General Litigation Division

RE: Verizon California v. County of Los Angeles
Pomona Superior Court Case No. KC 043491

DATE OF
INCIDENT: January 8, 2003

AUTHORITY
REQUESTED: \$30,000

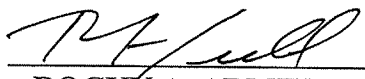
COUNTY
DEPARTMENT: Public Works-Flood Maintenance

CLAIMS BOARD ACTION:

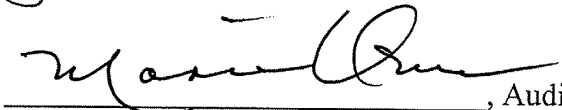
☒ Approve

☐ Disapprove

☐ Recommend to Board of
Supervisors for Approval


_____, Chief Administrative Office
ROCKY A. ARMFIELD


_____, County Counsel
JOHN F. KRATTLI


_____, Auditor-Controller
MARIA M. OMS

on December 6, 2004

SUMMARY

This is a recommendation to settle for \$30,000, a lawsuit filed by Verizon California whose underground cables were damaged by employees from the Department of Public Works.

LEGAL PRINCIPLES

A public entity is liable for the negligent and intentional acts of its employees when the acts are done in the course and scope of employment.

SUMMARY OF FACTS

On January 8, 2003, a work crew from the Department of Public Works was excavating a trench in a street in Hacienda Heights. Prior to the excavation, the department had notified Verizon California of the proposed work, and a department work crew had marked with white paint the area in the street where the trenching would occur. A private company hired by Verizon California had subsequently marked the location of all underground utilities that were located within the white painted area so that the department work crew would know which locations to avoid.

During the excavation, the work crew excavated an area outside the white painted area and damaged underground cables owned by Verizon California. The Public Works employees had mistakenly thought that the private company had marked the location of all utilities in the street from curb to curb, not just within the white painted area.

DAMAGES

Should this matter proceed to trial, the potential damages could be as follows:

Cost of repair	\$33,817
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The proposed settlement calls for the County to pay Verizon California \$30,000 for all claims for damages, costs, and attorney fees.

STATUS OF CASE

The trial court proceedings have been suspended pending consideration of the proposed settlement.

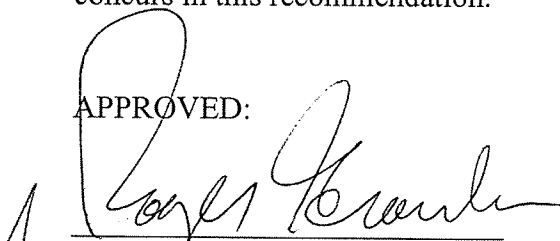
Expenses incurred by the County in defense of this matter are attorney fees of \$6,709 and \$797 in costs.

EVALUATION

This is a case of probable liability. The work crew identified the area they were going to be working in, and the private company marked all public utilities in that marked area. When excavation began, the work crew mistakenly believed that the entire street was marked for public utilities, and worked outside the designated area damaging Verizon California's cables. A reasonable settlement at this time will avoid further litigation costs and a jury verdict that could exceed the proposed settlement.

We join with our private counsel, Nishimura and Saunders, and our third party administrator, Carl Warren and Company, in recommending a settlement in the total amount of \$30,000. The Department of Public Works concurs in this recommendation.

APPROVED:



GARY N. MILLER
Assistant County Counsel
General Litigation Division

GNM:RHG:scr